

## Message Text

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PAGE 01 ISLAMA 04475 071341Z  
ACTION NEA-11

INFO OCT-01 EUR-12 ISO-00 AID-05 CEA-01 CIAE-00  
COME-00 EB-08 EA-10 FRB-03 INR-10 IO-13 NSAE-00  
ICA-11 OPIC-03 SP-02 TRSE-00 LAB-04 SIL-01  
AGRE-00 OMB-01 SS-15 NSC-05 L-03 H-01 STR-07  
DOE-15 SOE-02 DODE-00 PA-01 /145 W  
-----038707 071427Z /46

R 071008Z MAY 78  
FM AMEMBASSY ISLAMABAD  
TO SECSTATE WASHDC 7050  
INFO AMEMBASSY NEW DELHI  
AMEMBASSY PARIS  
AMEMBASSY TEHRAN

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USOECDD

E.O. 11652: N/A  
TAGS: EAID, EGEN, MNUC, PK, US  
SUBJECT: PAKISTAN'S PLANS, AID AND THE GLENN AMENDMENT

1. A BYLINED FRONT PAGE ARTICLE IN THE PAKISTAN TIMES (PRINCIPAL VEHICLE FOR GOVERNMENT RELEASES) FRIDAY MAY 5, WHICH HINTED AT MEASURED TO ENCOURAGE THE PRIVATE SECTOR ALSO SUGGESTED THAT THE NEW FIFTH PLAN COULD TAKE SHAPE ONLY AFTER THE AID TO PAKISTAN CONSORTIUM MEETING JUNE 1.
2. THE ARTICLE ALSO SAID "AN IMPORTANT ISSUE AT THE FORTH-COMING CONSORTIUM MEETING MAY ALSO BE WHETHER THE UNITED STATES IS WILLING TO LIFT ITS EMBARGO ON PROJECT AID TO PAKISTAN BECAUSE OF ISLAMABAD'D PLANS TO SET UP A REPROCESSING PLANT. WASHINGTON CLAMPED THIS EMBARGO EARLY LAST YEAR IN PURSUANCE OF ITS CONGRESSIONAL LEGISLATION".

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3. COMMENT: DESPITE THE ARTICLE'S HINTS OF FAR REACHING MEASURES, ITS MOST CONCRETE, YET CAUTIOUSLY WORDED SUGGESTION IS THE ESTABLISHMENT OF FREE INDUSTRIAL PRODUCTION ZONES IN KARACHI AND LAHORE. THE IDEA HAS BEEN DESULTORILY DISCUSSED FOR SOME YEARS AND MENTION OF IT NOW MAY BE A TESTING OF THE WATERS BEFORE FORMALLY PUTTING IT IN THE PLAN. U.S. AID LIMITATIONS WERE PRESENTED AS

QUOTED, WITHOUT FANFARE OR COMMENT. GIVEN THE GOP BUDGET  
CYCLE AND NEEDED PREPARATORY TIME CONSORTIUM ACTION UN-  
LIKELY IN FACT TO HAVE MUCH IMPACT ON EITHER  
THE BUDGET OR THE PLAN UNLESS COMPLETELY UNEXPECTED AND  
RADICAL CHANGES IN AID RELATIONSHIPS RESULT. IT IS CLEAR  
THAT THE GOP IS HAVING A VERY HARD TIME DEVELOPING A NEW  
SIX YEAR PLAN, GIVEN ITS RESOURCE CONSTRAINTS AND THE  
NEED FOR FUNDAMENTAL REFORMS OF ECONOMIC POLICIES.  
HUMMEL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC COOPERATION, ECONOMIC ASSISTANCE, AMENDMENTS, ECONOMIC PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978ISLAMA04475  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
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**Review Event:**  
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**SAS ID:** 2768360  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PAKISTAN'S PLANS, AID AND THE GLENN AMENDMENT  
**TAGS:** EAID, EGEN, MNUC, PK, US  
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**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014